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SENT VIA POUCH MAIL February 24, 1997

Bill Roth Rich Kane Jay Loftin Larry Poole Peter Schmidt Mark Young Jim Piscitelli

SUBJECT: High Impact Presence Agreement

During our last meeting, several of you requested an agreement/contract covering placement of expensive presence pieces. Attached you will find an agreement that can be utilized for the above described purpose, as well as, when special fixtures are produced for a chain. This agreement has been reviewed and approved by our Legal Department, so you may utilize it within your Region as you see fit.

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ATTACHMENT

C: Dave Wilmesher

R. J. Reynolds Tobacco Company

	I Obacco/Cigarette Store - Special Fixture /High Impact Presence Agreement
	Account Name: Account Number:
Cig pre:	I. Reynolds Tobacco Company will provide a special fixture/High impact presence merchandising system to all qualifying arette/Tobacco stores that sell cigarettes. R. J. Reynolds Tobacco Company will maintain these special fixture(s)/High impact sence items during the useful life of the fixtures. This service is one of several which can be provided by R. J. Reynolds acco Company for the merchandising of cigarettes.
in c	onsideration for R. J. Reynolds Tobacco Company's supplying you with special fixtures(s)/High impact presence item(s), you
agre 1.	ee as follows: Maintain the advertising copy provided by R. J. Reynolds Tobacco Co. on the fixture(s)/High Impact presence item(s) for the life of the fixture(s).
2.	At the request of a R. J. Reynolds Representative, maintain a R.J. Reynolds Retail merchandising agreement for not less than 3 years. Qualification for a Retail merchandising agreement will be determined by the Retailer's ability to meet the criteria stated on the merchandising agreement subject to the approval of a RJR Representative.
3.	Retailer must ensure R. J. Reynolds is adequately represented in all price tiers. Additionally, R.J. Reynolds must be at least at parity with the everyday low price brand as determined by a R. J. Reynolds Representative.
4.	R. J. Reynolds Tobacco Co. reserves the right to periodically change the advertising copy.
5.	Prohibit the placement of any posters, shelf strips, decals, displays or other promotional materials, on any part of the special fixture(s)/High impact presence item(s), except for those provided by R. J. Reynolds Tobacco Co.
6.	Load the special fixture(s) according to a plan-o-gram provided by R. J. Reynolds Tobacco Co.
7,	Utilize the special fixture(s)/High impact presence item(s) at the intended location(s) at retail, for not less than the life of the unit.
8.	In the event the retailer elects to remove the special fixture(s)/High impact presence item(s) within the life of the unit, the retailer will reimburse R. J. Reynolds Tobacco Co. the cost of the fixture/High impact presence item(s) plus the installation costs.
9.	Should the federal, state or local government regulate the sales or merchandising of cigarettes to an extent that the parties cannot lawfully carry out the merchandising and display provisions of this agreement, then in that event, this agreement shall terminate as to the affected stores, with no further payments or obligations due, with respect to the affected stores.
10.	Inform the R. J. Reynolds Tobacco Co. representative within the required time period for future special fixture(s)/High impact presence item(s) to meet new and remodeled store requirements. The set lead-time of weeks is required for delivery or any additional special fixture(s)/High impact presence item(s).
11.	This agreement may be changed only by written agreement of the parties, signed by both parties involved.
12.	The special fixture(s)/ High impact presence item(s) remains the property of R. J. Reynolds Tobacco Co.
13.	The special fixture(s)/ High impact presence item(s) requested and there agreed location inside or outside the store(s is as follows:
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the	I understand that failure of performance of any of the above terms and conditions will no longer entitle retailer to participate in R. J. Reynolds Tobacco Company merchandising service offered, or to utilize in any way the special fixture(s)/ High impact sence item(s) furnished by R. J. Reynolds Tobacco Company.

Retailer Approval and Date

R.J. Reynolds Approval and Date